

MEMORANDUM

TO: Commissioners Hardy, Hadley, Landis, Server and Ziegner
FROM: Jerry L. Webb, Director of Gas/Water/Sewer Division
DATE: November 2, 2006
RE: Utility Articles for Next Conference

The following Final Article A and Preliminary Article A are submitted to each of you to acquaint you with the tariffs eligible for action or acceptance on or after November 9, 2006.

“A” Final

The following miscellaneous item will be eligible for final consideration at the next Commission Conference and based upon a review of it by staff members of the Commission, I recommend approval.

1. East Lawrence Water Corporation

The utility is proposing to increase its reconnect charge and its tap fee. The reason for these changes is due to increased labor and material costs. The current and proposed charges can be found below. Cost support has been provided.

TARIFF CHARGE	CURRENT	PROPOSED
Reconnect Charge	\$10.00	\$47.00
Tap Fee	\$465.00	\$659.00

The tariff page affected by this filing is page 2 of 3.

Please indicate your consideration and action of all the preceding items on the appropriate lines provided below.

Jerry L. Webb
Director of Gas/Water/Sewer Division

I approve of all items as presented above:

I approve of all items as presented above except:

Not participating in the following items:

I, _____, Disapprove Items

No.

I, _____, Wish to Defer Items

No.

I hereby certify that the above is a true and correct copy of the action on the articles.

Brenda Howe, Executive Secretary

“A” Preliminary

The following new miscellaneous item has been reviewed by staff members of the Commission and we recommend accepting it for filing.

1. Northeastern REMC

The utility proposes to add Schedule LPRE – Optional Renewable Energy Rider to its current tariff. The proposed schedule is voluntary, and will give large power customers the opportunity to reserve and purchase renewable energy. The rider is similar to an existing rider for residential and small commercial customers.

Under Schedule LPRE, the customer will declare a percentage, in 5% increments, of its total energy requirements that the utility is to supply with renewable energy. A participating customer's bill will consist of the charges under its standard tariff, plus a charge for the renewable energy purchased at \$0.00375 per kWh.

The utility does not incur a higher cost for renewable energy purchases. Under this program, the utility donates the net revenues generated by this rider to qualified organizations involved in protecting the environment, providing environmental education, or engaged in research and development of new renewable energy resources. The revenue donated is net of the utility's administration costs of the program, which are specified in the tariff to not exceed 25% of the additional revenues. The utility does not foresee the administrative costs exceeding the 25% limit. Because this rider is voluntary, it does not affect the utility's charges to existing customers who do not take part in the program.

The tariff sheet affected by this filing is:

Schedule LPRE – Optional Renewable Energy Rider.

Jerry L. Webb
Director of Gas/Water/Sewer Division